LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 7216 NOTE PREPARED: Feb 13, 2004
BILL NUMBER: SB 395 BILL AMENDED: Feb 12, 2004

SUBJECT: Motorcycle Operational Skills Test and Waiver.

FIRST AUTHOR: Sen. Sipes

BILL STATUS: CR Adopted - 2nd House

FIRST SPONSOR: Rep. Reske

FUNDS AFFECTED: GENERAL IMPACT: State

 $\begin{array}{cc} \underline{X} & DEDICATED \\ & FEDERAL \end{array}$

Summary of Legislation: (Amended) This bill: (1) revises the definition of approved motorcycle driver education and training course to include a course offered by a new motorcycle dealer; (2) requires a person to obtain a certificate of title from the Bureau of Motor Vehicles (BMV) for an off-road vehicle that the person purchases after June 30, 2004; (3) requires a person who becomes an Indiana resident after June 30, 2004, to obtain a certificate of title from the BMV for an off-road vehicle: (A) that the person owns; and (B) for which a certificate of title was issued by another state; (4) authorizes an eligible individual to receive not more than five disabled veteran license plates for vehicles registered to the person; (5) specifies that a learner's permit holder who: (A) is less than 18 years old and holds a validated permit; or (B) is enrolled in an approved driver's education course; may drive a motor vehicle when the seat beside the driver's seat is occupied by a stepparent of the permit holder who holds a valid operator's license.

Effective Date: (Amended) Upon passage; July 1, 2004.

Explanation of State Expenditures: (Revised) Certificate of Title for Off-Road Vehicles - For the Bureau of Motor Vehicles, the agency that will title the vehicles, there will be computer changes and data base development required in order to identify the new vehicle types. In addition, there will be new forms required for the titling. The computer changes and data base development are estimated at approximately \$49,000. The printing of new forms is estimated at \$5,400. The fund affected is the Motor Vehicle Highway Account, which supports the BMV. The estimated cost can be absorbed within the current BMV budget.

According to the Department of Natural Resources, which registers off-road vehicles used on public property, there are 27,051 off-road vehicles currently registered in the state. The titling requirement does not apply to off-road vehicles purchased before July 1, 2004. Consequently, this will limit the number of vehicles which require titling initially.

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Explanation of State Revenues: (Revised) Certificate of Title for Off-Road Vehicles - The title fee is \$15. The revenue will depend upon the number of titles issued for purchases which occur after June 30, 2004. Revenue from titles is deposited into the Motor Vehicle Highway Account. Using calendar years 2001 and 2002 as a basis, there were 6,300 new off-road vehicles registered in the state during those years. If this trend continues, revenue could amount to approximately \$95,000 per year.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Bureau of Motor Vehicles.

Local Agencies Affected:

<u>Information Sources:</u> Debbie Cowser, Accounting Division, Department of Natural Resources, 232-4041; Jeff Wells, Executive Officer, Department of Natural Resources, Law Enforcement Division, 232-8034.

Fiscal Analyst: James Sperlik, 317-232-9866.

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